

CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY (CEFA)

**Resolution No. 2007-06
The Waiver of Bond Issuance Fees for
2008 Smart Green Series Pooled Bond Financing**

December 6, 2007

BACKGROUND: CEFA staff is working with Prager, Sealy and Co. and the Association of Independent California Colleges and Universities in proposing to structure a 2008 Smart Green Series Pooled Bond Financing using tax-exempt bonds that would finance green building and retrofitting projects and the purchase of equipment with an associated environmental benefit such as renewable resource use, increased energy efficiency, air quality improvement, water quality improvement, improved resources management, or any other environmentally related purpose. By establishing the 2008 Smart Green Series Pooled Bond Financing, CEFA will address an important policy issue while providing an economical mechanism for colleges and universities to finance green projects.

PURPOSE OF FEE WAIVER: CEFA is proposing to offer the borrowers in this initial 2008 Smart Green Series Pooled Bond Financing the waiver of all fees associated with this pooled financing. Any waiver of fees in future Smart Green Series Pooled Bond Financing will be considered on a case-by-case basis.

The proposed 2008 Smart Green Series Pooled Bond Financing will follow the reduced fee schedule outlined below under the column headed "2008 Smart Green Series Pooled Bond Financing." The fees for CEFA's Bond Financing Program is provided for comparison:

	Bond Financing	2008 Smart Green Series Pooled Bond Financing
Application Fee:	\$1,000	\$0
Initial Fee:	.15% of par amount	\$0
Administrative Fee:	\$500 annually for the first five years, \$250 thereafter	\$0

RECOMMENDATION: Staff recommends the Authority approve the waiver of bond issuance fees for prospective borrowers of the 2008 Smart Green Series Pooled Financing.